

Somerville Retirement Board Meeting January 28, 2021

The Regular Meeting of the Somerville **Contributory** Retirement Board duly posted to be held in the Conference Room at 323 Broadway, Somerville, MA (this meeting was also conducted remotely online via Go To Meeting) on the above date was called to order at 10:04 AM by Chairman Bean with Board Members Ross, Memory Castellarin and Mastrobuoni. Also in attendance was Executive Director Michael Pasquariello, attorney Matt Feeney and Randi Mail from MA Divest (remotely). Board Members Castellarin and Mastrobuoni participated remotely. All votes roll call, (unanimous, except where noted).

New Business:

1. On a motion duly made and seconded it was **VOTED** by the Board to approve the Regular and Executive Session **minutes** of the 12/21/20 meetings and sign them into record.
2. On a motion duly made and seconded it was **VOTED** by the Board to process the *following* received account **TRANSFER** request(s) from:
 - MTRS Retirement Board to transfer the account of Webster McEvoy, \$4,217.39
3. On a motion duly made and seconded it was **VOTED** by the Board to accept and process the *following* Application(s) for **Withdrawal** of Accumulated Total Deductions for:
 - Matthew Stanton, DPW Dept. The total Refund amount is \$43,140.48
 - Michael Moriarty, DPW Dept. The total Rollover amount is \$26,860.38
4. On a motion duly made and seconded it was **VOTED** by the Board to approve, issue payment and authorize the corresponding wire transfer for **Cash Disbursement Vendor Warrant** # 1-2021 in the amount of \$147,119.29.
5. On a motion duly made and seconded it was **VOTED** by the Board to issue payment and authorize the corresponding wire transfer for monthly **Retiree Payroll Warrant** # 1-2021 in the gross amount of \$2,568,980.62 for January 2021.
6. Received **Superannuation Retirement Applications** from:

Diane Ringer	Option A	Effective	1/30/2021
Paul Gillis	Option B	Effective	1/24/2021
Robert Hickey	Option C	Effective	1/25/2021

On a motion duly made and seconded it was **VOTED** by the Board to approve and process the above Superannuation retirement application(s).

7. The following new (School) hire(s) have not completed their Statement of Record - Membership Application: None

On a motion duly made and seconded it was **VOTED** by the Board to execute and deliver a **Suspension Letter** to each individual on the *above* list.

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8. Received **PERAC final calculation approval letter** for the *following* previously Board approved **new Retirees**:

• NAME Option Effective: / /202

9. On a motion duly made and seconded it was **VOTED** by the Board to sign the *following certificates* and include them for Membership in the Somerville Retirement System:

- Certificate # 9792, Noelle Decrotuea, Group 1 - Certificate # 9804, Ralph Henry, Group 1
- Certificate # 9798, Lauren Racaniello, Group 1
- Certificate # 9806, Yu-Ping Mao, Group 1 - Certificate # 9805, Justin Jones, Group 1
- Certificate # 9803, Taylor Delosh, Group 1
- Certificate # 9809, Wayne Colella, Group 1

10. Reviewed and discussed the November [accounting reports](#) and [bank reconciliations](#).

Received from PERAC the following Memoranda:

Memo # 38/2020	(Gomes Decision)
Memo # 39/2020	(Tobacco Company List)
Memo # 1/2021	(Medical Panel testing fees)
Memo # 2/2021	(2021 Limits under Section 46)
Memo # 3/2021	(2021 Limits under Section 23)
Memo # 4/2021	(COLA 1.3%)
Memo # 5/2021	(SFI Online)
Memo # 6/2021	(Interest rate 0.1%)
Memo # 7/2021	(Buyback worksheet)
Memo # 8/2021	(Required Minimum Distribution – now age 72)

The following retirees recently passed away:

- | | | |
|--------------------|------------|--|
| • Hope Ross | 1/5/2021 | Section 9 beneficiary, benefits cease. |
| • Joseph Scullari | 12/22/2020 | Option B, beneficiaries receive annuity. |
| • Luis Crescentini | 12/19/2020 | C pop-up , benefits cease. |
| • Kelly Dorothy | 12/28/2020 | Section 9 beneficiary, benefits cease. |
| • Diana Fitzgerald | 12/12/2020 | Survivor C, Benefits cease. |

11. Received **Buyback/Makeup** calculation request from:

- Charlotte Leis, a current Member of the Somerville Retirement System, to Buy-back four (4) months of service time (Somerville). Upon proper payment of \$1,273.66 to the Somerville Retirement Board, the Somerville Retirement Board will accept liability for four (4) months of creditable service. On a motion duly made and seconded it was **VOTED** by the Board to approve the buyback and accept 4 months of liability.

- George Proakis, a current Member of the Somerville Retirement System, to Buy-back five (5) months of service time (Somerville). Upon proper payment of \$5,431.81 to the Somerville Retirement Board, the Somerville Retirement Board will accept liability for five

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(5) months of creditable service. On a motion duly made and seconded it was **VOTED** by the Board to approve the buyback and accept 5 months of liability.

12. Reviewed and discussed the 2021 [Cash Flow projection](#). The Director informed the Board of the current \$3.2m cash balance at Congress Asset Management.

13. Executive Director [Continuing Professional Education \(CPE\)](#) for 2021: Social Security, Medicare & Govt Pensions (\$199.) and Accounting Ethics (\$149.). Budgeted \$320. On a motion duly made and seconded it was **VOTED** by the Board to approve the CPE and budgeted expenditure.

Old Business:

- Continued discussing **Fossil Free Somerville (FFS)/MA Divest**. The Board continues to research and gather information regarding the effect of fossil fuel divestment on the investment portfolio, MA general laws chapter 32 and related regulations. Reviewed the current [S & P index Return Tracking Report](#). Randi Mail informed the Director that Bill 4440 was out of the Public Service Committee at year end and (HD 236) was refiled in 2021. Randi Mail and Malcolm Cummings attended the 1/28/21 meeting (remotely), providing an update. Executive Director informed everyone that PERAC has not changed their position, they would need legislation regarding divestment. Fossil Free Somerville/MA Divest is considering asking/pushing PERAC based on legal risk if there is inaction.

- **Fixed Income RFP** status update and discussion. The Director provided a Summary of all the Board Member written [evaluation criteria ratings forms](#). On a motion duly made and seconded it was **VOTED** by the Board to schedule the following 7 managers for an interview at the 2/25 and 3/25 meetings: Lazard, Wellington, Western Asset, RhumbLine, Loomis Sayles, Eaton Vance and Income Research & Management.

- **Cyber Security**. The Director started to obtain quotes and estimates from Travelers, NCPERS and Fed C. Church. The Director contacted Peter Quinlan at Fred C. Church and James Martinez at Arthur Gallagher & Co. Awaiting application and quote information from Michael Hutchinson from Fred C. Church. The Director requested an isolated quote for any potential exposure with the PTG software from Fred C. Church. Tabled

- Received [Involuntary Superannuation Retirement Application](#) and [addendum](#) from the City for Susan Foster. Ms. Foster has been a Principal Clerk in the DPW since 3/27/2006. Ms. Foster has not worked in any capacity since 2/24/20. On 12/15/2020 received a [letter](#) from attorney Zimmon stating that Ms. Foster could return to work in a remote capacity and requesting that the City's involuntary retirement application be denied. The City formally requested that the application be tabled 12/21/20. The City formally withdrew this application on 1/26/2021.

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- Received formal [E-911 Operators request](#) to be re-classified from Group 1 to Group 2 on 9/30/20. Initially reviewed the current formal [Job Description](#), (civilians, no Police powers or hazardous duties) Chapter 32, Section 3(2) [Group Classifications](#) and [PERAC 2018 opinion letter](#), citing DALA case Sanger vs Essex regional Retirement Board. Attorney Feeney provided a retirement [legal opinion summary](#). John Hickey provided [additional information](#) John Hickey, Susan DeSousa and Christine Cornelio attended the 12/21/2020 meeting; each provided a statement on behalf of the E-911 Operators stating that the Operators are not Clerks, they take a high volume of calls, they the first point of contact, the job is very stressful, some suffer from PTSD and they are an important part of the City. It was noted that the Operators are not EMD's. The Board **VOTED** (12/21/20) to further review the information and discuss it with PERAC Legal. Attorney Feeney informed the Board that he spoke with attorney Ken Hill at PERAC and that attorney Hill agrees with the Board's positions (E-911 Operators due not qualify for Group 2 on a legal basis per Chapter 32) and procedurally. On a motion duly made and seconded it was **VOTED** by the Board to deny the E-911 Operators request to be re-classified from Group 1 to Group 2 based on legal analysis. The Director and attorney Feeney will draft a formal response to the E-911 Operators and provide appeal rights.

- Ordinary Disability retiree Ronald White executed and returned the [repayment agreement letter](#).

At 11:00 AM on a motion duly made and seconded it was **VOTED** by **ROLL CALL** to **ENTER** into Executive Session for the purpose of discussing the status of accidental disability files/applications, personnel and legal strategy. will return to open session

ROLL CALL VOTE to ENTER EXECUTIVE SESSION:

Edward Bean	YES	Michael Mastrobuoni	YES
Thomas Ross	YES	John Memory	YES
David Castellarin	YES		

On a motion duly made and seconded it was **VOTED** by **ROLL CALL** to **END** Executive Session at 11:37 AM and **RETURN** to Open Session.

ROLL CALL VOTE to END EXECUTIVE SESSION:

Edward Bean	YES	Michael Mastrobuoni	YES
John Memory	YES	Thomas Ross	YES
David Castellarin	YES		

Report Votes from Executive Session:

Board Voted to accept the 3 medical panel reports and approve the accidental disability for W. Fitzpatrick based on the 3 medical panel reports.

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The Board Voted to request to request an Independent Medical Exam (IME) through PERAC for disability applicant S. Singh.

The M. Kiely disability application was tabled as the Board waits to receive all of the medical records.

On a motion duly made and seconded it was **VOTED** by the Board to adjourn the meeting at 11:40 AM.



Chairman Bean



Board Member Memory



Vice Chairman Ross

Board Member Castellarin

Board Member Mastrobuoni